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**Proposed programme budget for the biennium 2010-2011**

**Globalization and interdependence: preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption**

# Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption

## Programme budget implications of draft resolution A/C.2/64/L.64

## Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

## I. Introduction

1. At its 42nd meeting, on 11 December 2009, the Second Committee adopted draft resolution A/C.2/64/L.64 on preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption. A statement of the programme budget implications of the draft resolution was before the Committee, in document A/C.2/64/L.72.

## II. Requests contained in the draft resolution

2. Under the terms of operative paragraph 17 of draft resolution A/C.2/64/L.64, the General Assembly would request the Secretary-General to continue to provide the United Nations Office on Drugs and Crime with the resources necessary to enable it to promote, in an effective manner, the implementation of the United Nations

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Convention against Corruption[1] and to discharge its functions as the secretariat of the Conference of the States Parties to the Convention (hereinafter referred to as the Conference of States Parties) and would also request the Secretary-General to ensure that the new mechanism for the review of implementation of the Convention was adequately funded, in line with resolution CAC/COSP/2009/L.9 adopted by the Conference of States Parties at its third session.

## III. Relationship of the draft resolution to the strategic framework for the period 2010-2011 and to the proposed programme budget for the biennium 2010-2011

3. The activities referred to above relate to programme 1, General Assembly and Economic and Social Council affairs and conference management, and subprogramme 1, Rule of law, of programme 13, International drug control, crime and terrorism prevention and criminal justice, of the strategic framework for the period 2010-2011.[2] They fall under section 2, General Assembly and Economic and Social Council affairs and conference management, and section 16, International drug control, crime and terrorism prevention and criminal justice, of the proposed programme budget for the biennium 2010-2011 (A/64/6 (Sect. 2) and A/64/6 (Sect. 16), respectively). In the context of the activities referred to in operative paragraph 17, additional outputs are added under subprogramme 1, Rule of law, of section 16, International drug control, crime and terrorism prevention and criminal justice. These outputs are detailed in paragraph 12 of the present statement.

## IV. Activities by which the proposals will be implemented

4. Building on the momentum created by key political decisions of the Conference of States Parties at its first two sessions (resolutions 1/1 and 2/1), the Conference of States Parties at its third session, held in November 2009, decided on the terms of reference of a full-fledged mechanism designed to assist it in the review of the implementation of the Convention (CAC/COSP/2009/L.9, annex I). The terms of reference specify that the Convention will be reviewed by way of a peer review process with the secretariat supporting this process and, in particular, that the secretariat of the Conference of States Parties shall be the secretariat of the Mechanism for the Review of Implementation of the United Nations Convention against Corruption and shall perform all tasks required for the efficient functioning of the Mechanism, including providing technical and substantive support, upon request, to States parties in the course of the functioning of the Mechanism.

5. At its third session, the Conference of States Parties adopted resolution CAC/COSP/2009/L.9 on the review of mechanism, whereby the Conference of States Parties, inter alia, adopted the terms of reference and specified that each review phase should be composed of two review cycles of five years each and that all States parties must undergo the review within the cycle. At the current rate of ratification of the Convention, it is projected that the secretariat of the Review Mechanism[3] (hereinafter referred to as the SORM) will need to facilitate an average

[1] United Nations, *Treaty Series*, vol. 2349, No. 42146.

[2] *Official Records of the General Assembly, Sixty-third Session, Supplement No. 6* (A/63/6/Rev.1).

[3] Also the secretariat of the Conference of States Parties.

of 40 country peer reviews per year at least for the next 10 years. The Conference decided to review, during the first five-year cycle, chapters III (Criminalization and law enforcement) and IV (International cooperation) of the Convention and during the second cycle, chapters II (Preventive measures) and V (Asset recovery).

6. In terms of work requirements, the SORM will each year need to organize the selection of the 40 countries that are to undergo a review and the 80 countries that are to conduct the peer review. This will be carried out through the drawing of lots. Prior to such drawing of lots, the SORM will need to ensure geographical balance, the availability of countries with similar legal systems and the ability of countries to be subjected to the review in a given year.

7. The SORM has also been charged with maintaining a list of up to 15 experts from each of the 80 peer review countries which is to be drawn up annually and distributed prior to the drawing of lots. The SORM will further need to ensure that all 40 States under review submit complete self-assessment checklists and will need to follow up and request additional information if the lists are incomplete. The SORM will distribute the checklist responses and supporting documentation to the peer reviewing countries and will request feedback. The SORM is tasked to support the ensuing desk review which entails an analysis of the checklist response focusing on measures taken to implement the Convention.

8. The SORM will support the review by facilitating an active dialogue between the State party under review and the two reviewing States, which could include requests that the State party provide clarifications or additional information or address supplementary questions related to the review. The constructive dialogue may also entail the organization of conference calls, videoconferences, e-mail exchanges or joint meetings at the United Nations Office at Vienna.

9. The SORM is further tasked to elaborate the schedule and requirements of each country review in consultation with the reviewing States parties and the State party under review and to address all issues relevant to the review. The SORM will develop a set of guidelines for the reviewing State parties and a blueprint country report. The SORM will assist the reviewing States parties in preparing a country review report with an executive summary. The report shall identify successes, good practices and challenges and make observations for the implementation of the Convention. Where appropriate, the report shall include identification of technical assistance needs for the purposes of improving implementation of the Convention.

10. The SORM will compile the most common and relevant information on successes, good practices, challenges, observations and technical assistance needs contained in the country reports and include them thematically in a Thematic Implementation Report and regional supplementary addenda for submission to the open-ended intergovernmental Implementation Review Group. The SORM will also submit executive summaries for each country report (40 per year). Specifically in the area of technical assistance, as part of the review mechanism follow-up process, the SORM will also review whether identified technical assistance needs have been met and will report on the outcome of the analysis of information to the Implementation Review Group.

11. The SORM is tasked with the substantive and technical servicing of the Implementation Review Group, which shall be an open-ended intergovernmental group of States parties. It operates under the authority of and reports to the

Conference and shall hold meetings at least once a year in Vienna. This Group is, inter alia, taking over the tasks of the technical assistance working group as well as the implementation review working group with, however, a much wider and more challenging mandate. It will conduct an overview of the review process in order to identify challenges and good practices as well as consider technical assistance requirements in order to ensure effective implementation of the Convention. The Thematic Implementation Report will serve as the basis for the analytical work of the Implementation Review Group. The Group submits recommendations and conclusions to the Conference of State Parties.

## V. Modifications required in the proposed programme of work for 2010-2011

12. In order to reflect the provisions of draft resolution A/C.2/64/L.64, the narrative of the proposed programme budget for the biennium 2010-2011 under subprogramme 1, Rule of law, of section 16, International drug control, crime and terrorism prevention and criminal justice, would need to be modified so as to amend the outputs already foreseen. The narrative would be amended as follows:

**Outputs**

**At the end of paragraph 16.55 (b) (v), Promotion of legal instruments, the following entries would be added:**

**"k. Analysis of self-assessment responses received and supplementary information (80 per biennium);**

**"l. Analysis of country reports and preparation of executive summaries of country reports (80 per biennium);**

**"m. Preparation of thematic reports and regional addenda (12 per biennium);**

**"n. List of experts participating in the review process, updated annually (up to 15 experts each of a current total of 142 States parties);**

**"o. Technical assistance needs matrix, updated annually;**

**"p. Pool of experts for the provision of technical assistance;**

**"q. Database of competent authorities, asset recovery focal points, central authorities;**

**"r. Country visits (40 per biennium);**

**"s. Training of experts (10 regional workshops per biennium)."**

## VI. Additional requirements for the biennium 2010-2011

13. The requirements for the implementation of the request contained in operative paragraph 17 of draft resolution A/C.2/64/L.64 are estimated on the basis of the parameters specified in the entries below:

(a) The review mechanism follows a four-year cycle;

(b) Forty States parties are to be reviewed per year;

(c) Translation of the responses to the self-assessment checklist and of supporting documentation is required for 15 of the 80 countries;

(d) One annual session of the Implementation Review Group is held each year, with a duration of 10 days;

(e) Forty country visits are made per biennium.

14. The estimated staffing requirements have been established as follows:

(a) Eighty reviews at 12 staff workweeks each, totalling 960 staff workweeks;

(b) Preparation of 80 reports at 2 weeks each, totalling 160 staff workweeks;

(c) Preparation of aggregate analytical reports, totalling 30 staff workweeks;

(d) Preparation and servicing of the session of the Implementation Review Group, totalling 20 staff workweeks;

(e) Forty country visits at 2 weeks each (including preparation time), totalling 80 staff workweeks;

(f) Maintenance of an expert database and other miscellaneous activities, totalling 30 staff workweeks.

15. On the basis of these parameters, the total number of staff workweeks per biennium is 1,280. Based on an average annual figure of 44 effective workweeks per staff member, the total requirement for supporting the review mechanism would be 14 staff members at various levels, including Professional and General Service staff.

16. In order to ensure performance of the tasks mandated by the Conference of States Parties, as well as those arising from other governing bodies in the biennium 2010-2011 in the areas of prevention and control of corruption, fraud and economic crime, as well as those pertaining to the promotion of and support to the implementation of the United Nations Convention against Corruption, including the servicing of the Conference of States Parties and the Implementation Review Group, a total of fourteen (14) posts are required, comprising 12 Professional staff (1 D-1, 2 P-5, 3 P-4, 2 P-3 and 4 P-2) and 2 General Service staff (Other level). It is estimated that approximately 30 per cent of the work can be accomplished by the current staff of the Corruption and Economic Crime Section (that is, 1 P-5, 1 P-4, 1 P-3, 1 P-2 and 1 General Service (Other level)). On this basis, it is estimated that implementation of the review mechanism would require 9 additional posts as follows: 1 D-1, 1 P-5, 2 P-4, 1 P-3, 3 P-2 and 1 General Service (Other level). The cost of these additional posts would amount to $1,409,600 (net), after recosting. The related requirements for computer maintenance and communications amount to $50,400, after recosting ($2,800 per year per staff member).

17. It is anticipated that for each of the 40 country visits per biennium (20 visits per year), a minimum of three days would be required for the undertaking of a review. On the basis of average travel costs for five participants (including governmental experts from developing countries and SORM staff), as well as costs for interpretation in 15 countries, the biennium cost of country visits would amount to $678,000.

18. It is estimated that individual country reviews would require translation of documentation from one official language into another and vice versa, including

responses to the self-assessment checklist and pertinent supporting material. It is estimated that an average of 4,000 pages translated from one language into another will be required per biennium, at a cost of $1,787,400.

19. For the holding of one annual session per year of the Implementation Review Group for a duration of 10 days (20 meetings) with interpretation in six languages and other conference services, an amount of $393,600 would be required for the biennium. In addition, provision would need to be made for the translation into the six official languages of the documentation required for the session of the Implementation Review Group and the Conference of States Parties. The estimated requirement for 100 pages of documentation per year translated into all six official languages is $395,400 for the biennium.

20. In order to enable the travel to the sessions of representatives of least developed countries parties to the Convention and payment of daily subsistence allowances, an amount of $459,000 would be required for the biennium, calculated on the basis of an average of 31 representatives attending.

21. It is proposed that the governmental experts scheduled to take part in the review process as part of the review teams undergo training. In order to provide for one annual five-day training course in Vienna for 40 experts each year, and on the basis of funding requirements for 30 governmental experts from developing countries participating in this training, an amount of $267,800 would be required for the biennium.

22. An amount of $67,800 would also be required for general operating expenses for conference calls and videoconferences, at an average rate of 2.5 telephone videoconferences for each of the 40 annual reviews.

**Additional budgetary requirements**

(United States dollars)

| | |
|---|---|
| **Posts and related general operating expenses** | |
| 1 D-1, 1 P-5, 2 P-4, 1 P-3, 3 P-2 and 1 General Service (Other level) posts | 1 409 600 |
| Staff assessment | 229 300 |
| Computer maintenance | 23 400 |
| Communication costs | 27 000 |
| **Subtotal** | **1 689 300** |
| **Individual reviews** | |
| Country visits (5 participants per country visit for 40 countries) | 678 000 |
| Translation of documents for individual reviews in 2 languages (4,000 pages) | 1 787 400 |
| **Subtotal** | **2 465 400** |
| **Implementation Review Group (1 meeting of 10 days duration per year)** | |
| Interpretation in 6 languages and conference servicing | 393 600 |
| Translation of 100 pages of documentation in 6 languages per year | 395 400 |
| **Subtotal** | **789 000** |

| | |
|---|---|
| Travel and subsistence allowance for representatives of least developed countries (31 representatives, 14 days daily subsistence allowance per year) | 459 000 |
| **Subtotal** | **1 248 000** |
| **Training** | |
| Five-day training course for 30 experts from developing countries per year | 267 800 |
| **Subtotal** | **267 800** |
| **General operating expenses** | |
| Videoconference costs | 67 800 |
| **Subtotal** | **67 800** |
| **Total (gross)** | **5 738 300** |
| **Income from staff assessment** | **(229 300)** |
| **Total (net)** | **5 509 000** |

23. The attention of the Committee is drawn to the provision of section VI of General Assembly resolution 45/248 B of 21 December 1990, in which the Assembly reaffirmed that the Fifth Committee was the appropriate Main Committee of the Assembly entrusted with responsibilities for administrative and budgetary matters and also reaffirmed the role of the Advisory Committee on Administrative and Budgetary Questions.

## VII. Potential for absorption

24. As indicated in paragraph 16 above, out of the overall requirements of 14 posts to implement the activities called for in operative paragraph 17 of the draft resolution, the requirement relating to 5 of the posts would be accommodated through the use of existing posts in the Corruption and Economic Crime Section. There are no other resources provided under the proposed programme budget for the biennium 2010-2011 that could be made available for the support of the implementation of these activities.

25. With regard to the Implementation Review Group, under section 2, General Assembly and Economic and Social Council affairs and conference management, of the proposed programme budget for the biennium 2010-2011, provision has been made for 40 meetings of the review mechanism subsidiary body, that is, 20 meetings per year, as well as for the related reports and background documentation. This provision, which was made in view of the requirements of the previous ongoing review mechanism, would be available for the conference servicing of the Implementation Review Group.

26. With regard to the operational requirements, namely, individual reviews, travel and a daily subsistence allowance for representatives of least developed countries, training and general operating expenses, the Conference of States Parties requested the Secretary-General to propose to the Implementation Review Group for consideration and decision at its first meeting, scheduled to be held in Vienna in 2010, further means for funding the implementation of the Mechanism. Until the

Implementation Review Group makes a decision in this respect, it is proposed that these costs be funded through voluntary contributions.

## VIII. Contingency fund

27. It will be recalled that, under the procedures established by the General Assembly in its resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987, a contingency fund is established for each biennium to accommodate additional expenditure derived from legislative mandates not provided for in the programme budget. In accordance with the decision contained in paragraph 21 of Assembly resolution 63/266 of 24 December 2008, the contingency fund for the biennium 2010-2011 has been set at the level of $36,532,900. Under this procedure, if additional expenditure were proposed that exceeded the resources available from the contingency fund, the activities concerned would be implemented only through the redeployment of resources from low-priority areas or modification of existing activities. Otherwise, such additional activities must be deferred to a later biennium.

## IX. Summary

28. **Accordingly, should the General Assembly adopt draft resolution A/C.2/64/L.64, additional resources amounting to $1,689,300 gross ($1,460,000 net), after recosting, would be required under section 16, International drug control, crime and terrorism prevention and criminal justice ($1,433,000), section 28F, Administration, Vienna ($27,000), and section 36, Staff assessment ($229,300), to be offset by the same amount under Income section 1, Income from staff assessment, of the proposed programme budget for the biennium 2010-2011. This would represent a charge against the contingency fund and, as such, would require appropriation for the biennium.**